

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 06-06-27**

Date Published: June 22, 2006
For Work Week Commencing: June 26, 2006
Commission Meeting: June 27, 2006, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.mt.gov>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Live audio feed Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio feed link on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. NorthWestern Energy D2002.6.64 (Will)

On May 19, 2005, NorthWestern Energy filed to adjust the BPA Residential Exchange Credit for residential and irrigation customers pursuant to a tracking mechanism approved by the Commission in 2002 (D2002.6.64). The

rate credit amount is derived from the amount of monetary benefits NWE receives on behalf of its residential and small farm customers from the Bonneville Power Administration under the terms of a settlement of the Residential Exchange provisions of the Northwest Power Act. The proposed adjustment would reduce the credit from the current (\$0.001550)/kwh to (\$0.001511)/kwh.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2004.5.84 – Intercarrier Compensation, Missoula Plan – Visit about deferring the workshop presently scheduled for July 19, 2006. (6/27/06)
2. Carlene Johnson – Complaint of Carlene Johnson – Authorize the transfer of the complaint to the Department of Justice, Consumer Protection. (6/27/06)
3. D2005.12.174 – Level 3 Communications – Arbitration of interconnection agreement – Rule on Pro Hac Vice Application: Victoria Ruth Mandell. (6/27/06)
4. D2006.3.36 – Qwest Corporation – Qwest's motion to dismiss six (of ten) respondents and request for prehearing conference – Rule on Qwest's motion. (6/27/06)
5. D2006.3.39 – Qwest Corporation – Qwest's Notification of Certain Features, Listings and Packages as not Regulated – Rule on response of Montana Consumer Counsel to objections of Qwest Corporation to data requests and Qwest's objection to PSC staff data request PSC-001(b). (6/27/06)
6. D2003.7.86, D2004.6.96, D005.6.103 – NorthWestern Energy – Three consolidated qualifying facility avoided cost dockets – Discussion, direction, action on CELP motion to exclude parts of NWE testimony, other matters as necessary. (6/27/06)
7. D2006.6.94 – NorthWestern Energy – Annual qualifying facility avoided cost filing – Discuss as necessary any and all aspects associated with NWE's June 21, 2006 filing, including but not limited to NWE's motion for interim approval and its motion for a protective order. (6/27/09)

8. FERC EC06-127 – NorthWestern Corporation – Application for Authorization under Section 203 of the Federal Power Act and Request for Expedited Consideration – Update Commission on the above-referenced FERC docket and discuss any action the Commission may want to take with respect thereto. (6/27/06)
9. D2006.5.66 – NorthWestern Energy – NorthWestern Energy’s Application for Approval of Electric Supply Deferred Cost Account Balance and Projected Electric Supply Cost – Placeholder – Possibly discuss and act on NWE’s request for an interim rate increase in the 2006-2007 electric tracker docket. (6/27/06)
10. D2006.5.58 – NorthWestern Energy – Natural gas tracker filing – Discuss and/or act on interim request. (6/27/06)

Other Meetings

Weekly Scheduling – Will be held at 9:00 a.m. on the day of the Commission Meeting

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. CenturyTel N2006.6.90 (Scott)

On June 15, 2006, CenturyTel Filed Transmittal No. 06-3. In this filing CenturyTel is requesting to offer a new packaged service called Simple Choice Unlimited. CenturyTel is requesting an effective date of July 15, 2006.

2. Qwest N2006.6.91 (Scott)

On June 16, 2006 Qwest filed Tariff Transmittal 06-10, Resident On-Line Ordering Promotion. Qwest is proposing to offer from July 16, 2006, through October 14, 2006, residence customers who are connecting service for the first time or moving to a new address, who purchase a qualifying package at their new address and who place their order on-line at Qwest's website will receive a waiver of the nonrecurring charges associated with their line.

3. Qwest Communications Corporation N2006.6.92 (Scott)

On June 16, 2006, Qwest Communications Corporation (QCC) filed Tariff Transmittal QCC06-10, Grandfathering Residence Choice Unlimited. This filing proposes to move the Choice Unlimited plan for residential customers to the Obsolete Service Offering Section.

4. Qwest LD Corp. N2006.6.93 (Scott)

On June 16, 2006, Qwest LD Corp. (QLDC) filed Tariff Transmittal QLDC06-06, Grandfathering Residence Choice Unlimited. This filing proposes to move the Choice Unlimited plan for residential customers to the Obsolete Service Offering Section.

5. Qwest Corporation N2006.6.95 (Gary)

On June 21, 2006 Qwest Corporation (Qwest) filed for Commission approval a Master Service Agreement (MSA) between Qwest and the United States Postal Service (USPS). Qwest is filing the MSA with the Commission for approval pursuant to Section 2.18 (Large Business Customers With a Multi-State Presence) of its Exchange and Network Service Tariff, and pursuant to the Commission's April 16, 2004 Notice of Commission Action (NCA) in Docket N2003.10.149. Also pursuant to the NCA, Qwest filed proprietary cost information. The MSA is the result of Qwest responding to a RFP issued by USPS to provide local voice services for the Qwest 14 state incumbent territory, including Montana. The services purchased by USPS are available from other competitive carriers in addition to Qwest.

6. Qwest Services Corporation N2006.6.86 (Gary)

On June 12, 2006 Qwest Service Corporation (Qwest) filed a Petition for Waiver of Months to Exhaust/Utilization Threshold requirements set forth in the FCC's Number Resource Optimization Order, FCC 00-429 and FCC 01-362. A waiver of the FCC's requirements would allow Neustar, Montana's

Pooling Administrator, to provide numbering resource to Qwest in order for Qwest to satisfy a specific customer request from Glacier Bankcorp. in Bozeman. The FCC allows for such a waiver of rules when there is a specific customer request. The waiver process ("safety valve process") is addressed in FCC 01-362, paras. 57-66, which delegate waiver authority to state commissions.

7. Montana-Dakota Utilities Co. D2006.5.62 (Martin)

On May 4, 2006, MDU filed a request for PSC approval of three new natural gas heating zones (also referred to as heat, therm, or thermal zones) in south-eastern Montana. The proposed zones will accommodate new heating zones initiated by Williston Basin Interstate Pipeline, MDU's interconnecting pipeline supplier in the areas affected. Heating zones are areas in which the heat content of natural gas is separately measured for billing purposes. MDU proposes the addition of zone 39 (Montana / South Dakota border adjacent to the Baker / Grasslands Junction) zone 40 (Montana / North Dakota border adjacent to Cabin Creek Junction), and zone 42 (between the Baker / Grasslands Junction and the Cabin Creek Junction), each zone to be monitored by a chromatograph. MDU states that there is one new farm-tap customer in zone 39, there are no other customers in zones 39, 40, or 42, but approval of the zones is necessary to efficiently accommodate anticipated new customer connections. MDU's thermal zone boundary map filed with the PSC already reflects these proposed heating zones.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

1. Qwest Corporation D2005.6.105 (Martin)

On June 9, 2006, Qwest filed a Motion for Protective Order to govern disclosure of two items requested through discovery in this docket: (a) a list of regular and stand-alone DSL subscribers; and (b) a list of QPP, UNB LOOP, and UNE-P products. Qwest argues the identified items are trade secret and confidential business information.

2. NorthWestern Energy D2006.6.94 (Martin)

On June 21, 2006, NWE filed a Motion for Protective Order to govern disclosure of one item expected to be filed in this docket. The item is monthly coal cost information and supporting invoices (e.g., commodity cost, transportation, royalty, adjustments, and tonnage) for the time period April 2005 to March 2006. NWE argues the identified information is trade secret and confidential business information.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199

Information Items All items identified below are for information only.

New Filings Received in Past Week

D2006.6.83 – Energy West - Monthly Gas Cost Tracking Application
D2006.6.85 – Qwest Corporation and Dunne Communications, Inc. – Application for Approval of Paging Type 1 and 2 Interconnection Agreement
N2006.6.86 – Qwest Corporation – Request for Waiver of Months to Exhaust/Utilization Threshold Requirement – Bozeman Rate Center
N2006.6.87 – Firelight Meadows, LLC dba Firelight Meadows Water Service – Application to Implement Late Charges and NSF Fees
N2006.6.88 – Firelight Meadows, LLC dba Firelight Meadows Waste Water – Application to Implement Late Charges and NSF Fees
D2006.6.89 – West Montana Ventures, LLC – Application for Approval of Interim Water Usage Rates for Eagle Ridge Estates Water System
N2006.6.90 – CenturyTel of Montana – Transmittal No. 06-3, Introduce Simple Choice Unlimited Packaged Service
N2006.6.91 - Qwest Corporation – Transmittal 06-10, Residence On-Line Ordering Promotion
N2006.6.92 – Qwest Communications Corporation – Tariff Transmittal QCC06-10, Grandfather Residence Choice Unlimited Plan
N2006.6.93 – Qwest LD Corp. – Tariff Transmittal QLDC06-.06, Grandfather Residence Choice Unlimited Plan
D2006.6.94 – NorthWestern Energy – Annual Avoided Cost Compliance Filing

N2006.6.95 – Qwest Corporation and United States Postal Service – Master Service Agreement

D2006.6.96 – Black Hills Power – Application for Authority to Establish a Quarterly Fuel Rate Rider